

Fleet Management Plan

Public Works & Utilities

August 23, 2016



Overview of the Fleet Division

- More than 2,300 assets and 26 fueling locations serving all City departments
 - 1,232 pieces of wheeled equipment
 - 1,096 pieces of light equipment (ie, chainsaws, salt spreaders, etc)
- Operate five fleet shops with 56 authorized positions
- Maintain and replace seven asset classes of equipment and vehicles (not Transit or Airport)
- One of two ASE Blue Seal certified fleet operations in Wichita
- Recently named a “Notable Fleet” by APWA and Government Fleet

Asset Classes

Class	Description	Count
Police	Marked vehicles used by uniformed patrol personnel	180
Fire	Heavy fire apparatus	46
Light Vehicles	Sedans, vans, etc under 10,000 pounds of gross vehicle weight (GVW)	533
Medium Vehicles	Pickups, SUV, etc between 10,001-19,500 pounds GVW	94
Heavy Vehicles	Trucks, vans, etc above 19,500 pounds GVW	208
Heavy Equipment	Off-road and construction equipment above 10,000 pounds GVW	171
Light Equipment	Chainsaws, weed eaters, salt spreaders, etc.	1,096

Partnership with WSU

- Independent review without raising fears of privatization
- Contracted with WSU in November 2015
- Six tasks completed by team of five WSU staff
- Final report issued in May



City of Wichita Fleet Management Review and Financial Analysis

April 2016

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Decision Support Tool

- Models total cost of maintenance, repairs and replacement over 30 years
- Defines optimal replacement strategy that minimizes costs while meeting levels of service expectations

Fleet Management Decision Support Tool				March 29, 2016			Desired Levels of Service		
Data Sources:				Weighting By Impact of Fleet Downtime on Outcome			Critical Levels of Service		
NCS	National Citizen Survey			Critical	25%		High	15%	
ICMA	International City/County Management Association			Medium	10%		Low	5%	
Wichita	City of Wichita Internal Benchmark								
Department	Number	Title	Data Source	Benchmark	Actual	Target	Trend	Fleet Impact	
City Manager's Office	2.1.2	Services Provided by the City of Wichita: Percent Rating "Excellent" or "Good"	NCS	45%	35%	35%		Low	
City Manager's Office	2.1.3	Overall Customer Service of City of Wichita Employees	NCS	NA	65%	65%		Low	
Fire	7.1.1	Fire Incidents Confined to Room of Origin	ICMA	52%	68%	68%		Critical	
Fire	7.1.2	Percentage of Fire Calls with a Response Time of Four Minutes or Sooner	ICMA	NA	47%	47%		Critical	
Fire	7.1.3	Percentage of Time Second-Arriving Company Arrives On Scene Within 8 Minutes	ICMA	NA	87%	87%		Critical	
Fire	7.2.9	Fire Services: Citizen Rating "Excellent" or "Good"	NCS	95%	90%	90%		Medium	
Fire	7.2.11	Contact with Fire Department: "Excellent" or "Good"	NCS	NA	90%	90%		Low	
MABCD	23.1.5	Percentage of Inspections Completed on Time	ICMA	97%	100%	100%		Medium	
MABCD	23.2.1	(Zoning) Average Number of Calendar Days from Case Initiation to Voluntary Compliance	ICMA	320	86	86		Low	
MABCD	23.2.2	(Zoning) Average Number of Calendar Days from Case Initiation to Forced Compliance	ICMA	300	280	280		Low	
MABCD	23.3.3a	(Ngbhd Inspections: Housing) Avg No. of Calendar Days from Case Initiation to Voluntary Compliance	ICMA	99	814	814		Low	
MABCD	23.3.3b	(Ngbhd Inspections: Nuisance) Avg No. of Calendar Days from Case Initiation to Voluntary Compliance	ICMA	179	77	77		Low	
MABCD	23.3.3c	(Ngbhd Inspections: Dgrs Bldg) Avg No. of Calendar Days from Case Initiation to Voluntary Compliance	ICMA	106	90	90		Low	
MABCD	23.3.4a	(Ngbhd Inspections: Housing) Avg No. of Calendar Days from Case Initiation to Forced Compliance	ICMA	278	1,504	1,504		Low	
MABCD	23.3.4b	(Ngbhd Inspections: Nuisance) Avg No. of Calendar Days from Case Initiation to Forced Compliance	ICMA	251	157	157		Low	
MABCD	23.3.4c	(Ngbhd Inspections: Dgrs Bldg) Avg No. of Calendar Days from Case Initiation to Forced Compliance	ICMA	218	110	110		Low	

Development & Review

CONCEPT
DEVELOPMENT AND
MODEL BUILD

City of Wichita – Public Works & Utilities
Wichita State Public Policy and Management Center
Dodson Research

January 28 – March 31
2016

INTERNAL REVIEW

City of Wichita – Department of Finance

April 13
2016

EXTERNAL REVIEW

Dr. Ken Kriz
Regents Distinguished Professor of Public Finance
Director, Kansas Public Finance Center

April 4 – June 21
2016

DEPARTMENT
REVIEW

Fleet Advisory Committee
Police, Fire, Park & Recreation, PW&U, MABCD,
Housing & Community Services, City Manager's
Office, Finance, Library

June 28 – August 11
2016

Comparison Metrics

Downtime By Asset Class: Median expected downtime over the 30 year modeling period.

Years of Remaining Service Life (RSL): Calculated for existing assets by finding the average age less the years of service, while future assets are based on years between replacements.

Total Lifecycle Costs: All of the maintenance, repair, replacement, and surplus value impacts are summed into a single 30-year estimate of lifecycle costs.

Cost Per Year of RSL: Divides the total lifecycle costs by the years of RSL to come up with the amount the City would spend for each RSL gained.

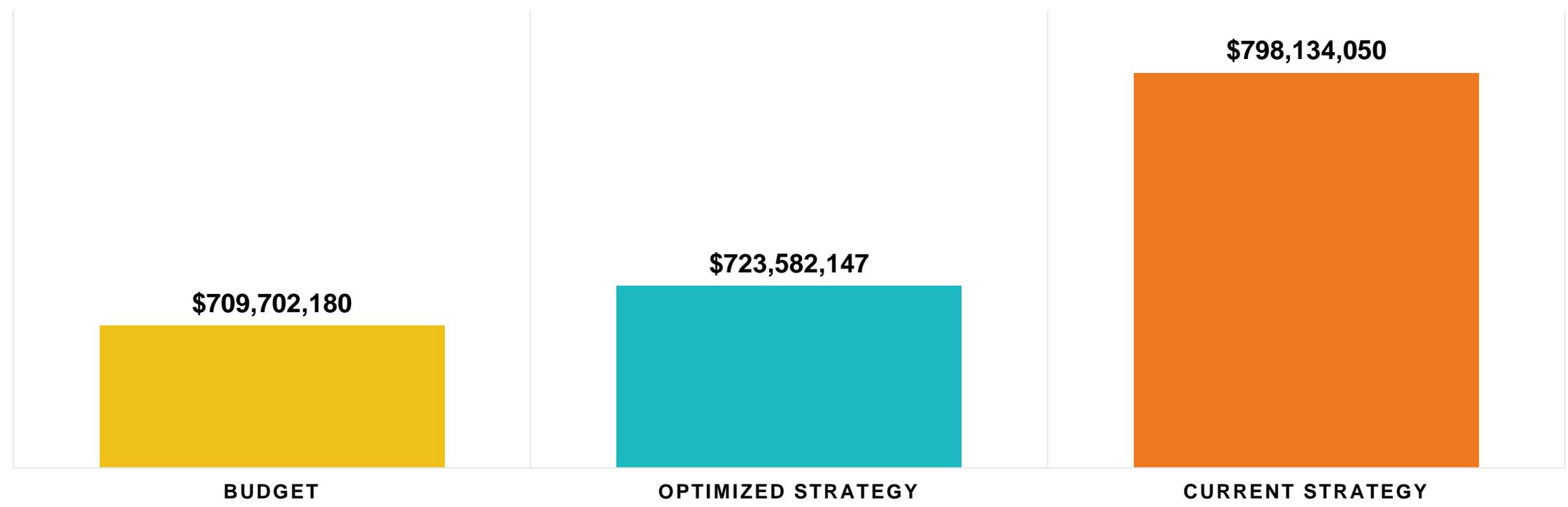
Total Discounted Costs: *New metric added as a result of review from WSU Public Finance Professor Dr. Ken Kriz. Discounts future net costs to a present value.*

WSU Key Findings

Finding #1

City can nearly eliminate long-term funding gap by optimizing replacements while protecting service levels

30-YEAR CUMULATIVE COST COMPARISON

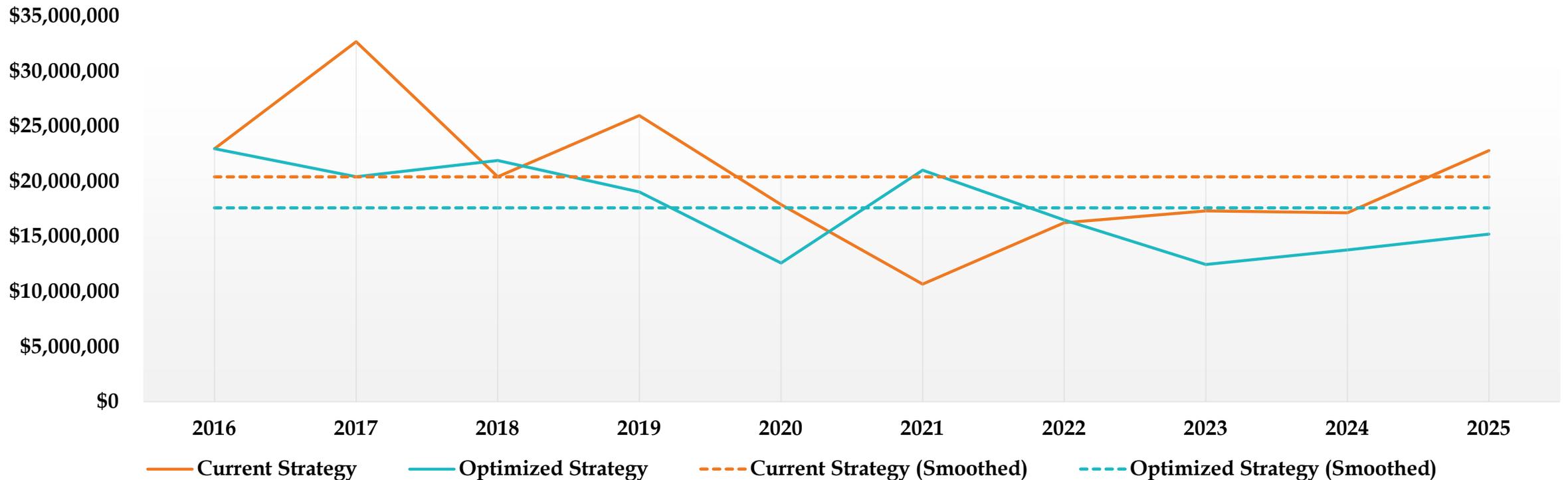


WSU Key Findings

Finding #2

Replacement bubble needs to be smoothed to minimize fleet rate impacts

FLEET COST COMPARISON



WSU Key Findings

Finding #3

Alternative fleet rate structures should be explored and future year increases projected

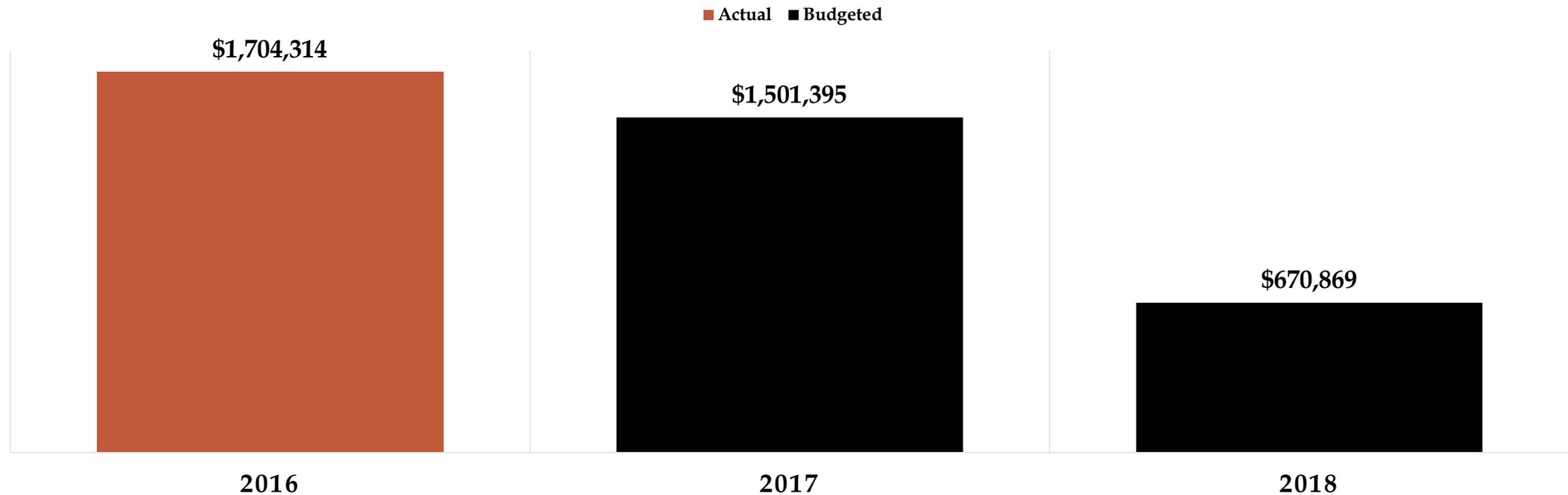
- Maintenance & Repair (M&R) and indirect costs are not fully recovered by the monthly fleet rate
- Existing fleet rate structure lacks equity among asset classes
 - Fire and medium duty vehicle asset classes pay less than the direct cost to maintain and repair them
 - Remaining five asset classes pay more than their direct costs

WSU Key Findings

Finding #4

Healthy cash balance allows time to make customer-informed policy recommendations to City Manager

BEGINNING FLEET FUND BALANCE WITH NO RATE INCREASE IN 2017



WSU Key Findings

Finding #5

Fleet workforce is well-trained and has become more efficient over the past decade

	2006	2014	% Change
Number of Employees	45	30	-33%
Number of Generated Work Orders	14,018	13,289	-5%
Work Order Ratio Per Employee	311.5	443.0	+42%

WSU Key Findings

Finding #6

Focus groups confirm dedication of fleet staff but identify transparency and technology for improvements

- Fleet staff is dedicated to their work and are a “critical factor of success of the department”
- Communication and transparency raised as concerns that result in a lack of understanding, not generally distrust
- Technology improvements would help fleet staff and customer feedback

WSU Key Findings

Finding #7

Governance and communications structure need to be developed to improve business management

- Lack of a formal customer advisory board
- No annual business plan or vetted replacement schedules
- Performance metrics not presently shared with fleet users
- No rate projection or archived rate structure
- No process for gathering policy feedback for City Manager

Major Policy Items

- 1) Replacement strategy driven by Decision Support Tool
- 2) Define replacement goals compared to ICMA practices
- 3) Create alternative rate structures to address rate inequity
- 4) Develop a 10-year rate plan and corresponding replacement schedule
- 5) Analyze feasibility of best practices from WSU report

Policy Process



Composition of Advisory Committee

- Fleet Customers (WPD, WFD, PW&U, P&R, MABCD, HCS, Library)
- Representative of City Manager's Office
- Department of Finance

Fleet Management Plan

Public Works & Utilities

Serving You, In Many Ways, Every Day

